Implementation of Audit Report by RBI

521. SHRI MENTAY PADAMANABHAM:

SHRI SHIV PRATAP MISHRA:

Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to a news item captioned "Audit team's warning went unheeded by RBI, SBI" appearing in the Financial Express of the 20th May, 1992; and

(b) if so, what steps Government propose to take to implement the recommendations of the Audit team to improve the RBI's supervisory mechanism and take action against the banks involved in the scam on the basis of such audit report?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) Yes, Sir.

(b) Information is being collected and will be laid on the Table of the House.

SCICI relief to marine product entrepreneurs

522. SHRI MENTAY PADMANABHAM: Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to news item appearing in Economic Times dated 30th May, 1992 captioned "SCICI offers relief to 80 marine product entrepreneurs";

(b) if so, what steps have been taken to infuse fresh funds into the sick deep sea fishing industry;

(c) whether any time frame has been set to implement relief during this year;

(d) what measures are proposed to reduce overall debt and interest owed by small entrepreneurs to SCICI; and

(e) what are the reasons for not granting status to deep sea fishing industry at par with land based industries?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) Yes Sir.

(b) As part of the revised rehabilitation scheme announced on April 4, 1991; (i) the Government of India would consider providing additional loans for financing an increase in the post of the vessel on account of exchange fluctuations in respect of imported vessels where payments to the yards are outstanding, or where the vessels are yet to be delivered; the loan would be restricted to 90 per cent of increase in cost and would carry an effective rate of interest of 8.5 per cent per annum; (ii) Similarly, the Government of India would consider providing additional loan to meet an increase in the cost of indigenous vessels, where the payments to the yards are outstanding, or the vessels are yet to be delivered, where the addtional loans would be restricted to 95 per cent of the cost of the vessel and would carry an effective rate of interest of 7.75 per cent per annum; (iii) The Government of India/SCICI would consider providing additional loan to meet the cost of repair of vessels owned by companies availing rehabilitation at rate of interest of 15 per cent per annum; and (ix) SCICI would consider providing additional loan for modification/addition of fishing gear for diversified fishing by the existing vessels at normal rate of interest.

(c) Those companies desirous of availing assistance under the revised rehabilitation scheme, were required to submit their proposals and fulfil certain conditions like payment of upfront amounts, before June 30, 1992.

(d) As indicated in (b) above, the erstwhile SDFC-assisted fishing companies have outstanding payable to Government of India and not to SCICI. Under the rehabilitation package, the penal interest would be waived and interest would be computed at the document rate over the period July 1st, 1987 to June 30, 1992. Further, the interest for the period ending June 30, 1992 thus recomputed would be capitalised and added to the principal amount of loan. The amount so captalis-

ed would be repayable in instalments thrice each year over the remaining economic life of the vessel.

(e) The Deep Sea Fishing Industry is specifically excluded from the purview of the Industries (Development and Regulation) Act, 1951, and is therefore not equated with land based industries. However, several beneficial terms and conditions apply to the financing of the deep sea fishing industry, often on more favourable terms than for land based industries.

Arrears in collection of Central taxes

523. SHRI MOHINDER SINGH LATHER:

SHRI ISH DUTT YADAV:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that a large amount of different central taxes remains unrecovered every year in the country;

(b) if so, what are the reasons therefor;

(c) what is the amount of each of the central taxes outstanding at the end of 1990-91, 1991-92 against private and public sectors, separately, Statewise;

(d) whether Government have made some improvement in the present system of tax collection;

(e) if so, the details thereof; and

(f) what are the details of achievements made as a result thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) Yes, Sir.

(b) The main reasons for non-realisation of outsanding tax demands are:

(i) tax demands are disputed in appeals;

(ii) stays are granted by the courts, tribunals and the departmental authorities.

(c) The amounts of tax demands of major Central taxes outstanding at the end of 1990-91 and 1991-92 are given below:

(Rupees in crores)

	Income tax inc. Corp. tax	Central Excise Duty	Customs Duty
1990-91	6695	1226	67
1991-92	8364	1521	77

Statistics of tax demand outstanding against private and public sectors separately, Statewise, are not maintained.

(d) to (f) Improvement of the tax collection system is an on-going process. The system is reviewed from time to time and improvements wherever necessary are brought about. Presently, the Tax Reforms Committee headed by Dr. Raja J. Chelliah is going into various aspects of tax administration. The recommendations made by the Committee in its interim report have been partially implemented. The Final report of the Committee is likely to be received shortly. It is premature to assess the achievement at this stage.

Autonomous body status for SEBI

524. SHRI J. S. RAJU: Will the Minister of FINANCE be pleased to state:

(a) whether there is any proposal under Government's consideration to